

Press release

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## CAPAS 2018 closes, supporting the transformation of Southwest China's automotive industry

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**The fifth edition of The Chengdu International Trade Fair for Automotive Parts and Aftermarket Services (CAPAS) successfully concluded on 26 May 2018, at the Chengdu Century City New International Convention and Exhibition Center in China. As a leading platform for the automotive industry in Southwest China, this year CAPAS gathered 583 exhibitors (12% increase) from China, France, Germany, Hong Kong, Japan, Korea, Singapore, Spain, Taiwan and the US. Each of these industry leaders gathered together with 18,016 visitors (4% increase) across 45,000sqm of exhibition space.**

Following the show's conclusion, Ms Fiona Chiew, Deputy General Manager of Messe Frankfurt (Shanghai) Co Ltd, said she is pleased to see how CAPAS has grown alongside the industry: "By catering to the auto market's transformation in recent years, this fair has helped improve the competitiveness of attending industry players. One example is through its showcase of solutions for new environmental protection policies, which allows both exhibitors and visitors to tackle key challenges in the industry. I believe the show will continue to do this in the future too."

This year, CAPAS featured six theme zones on the show floor. These were the Automobile Lifestyle Zone, the Commercial Vehicle Zone, the E-mobility & Infrastructure Zone, the Made in Sichuan Zone, the Quick Fix, Replacement Parts & Chain Stores Zone, and the Supply Chain Procurement Zone. Positive feedback suggested that the clear zonings and complete range of product offerings helped buyers and exhibitors to have a more efficient business matching experience during the fair.

Within these zones and across the entire show were many renowned participating companies, including AXOT, Botny, Chengdu Zhong Xing Wang, Fix Auto, Fengriling Filters, FMG, GESEL, Jingdian Auto, Knorr-Bremse, Liqui Moly, Luke, Luzhou Changjiang Machinery, MANN+HUMMEL, Neijiang Jinhong Crankshaft, NGK, PUSH, Qianjiang Spring, Ruili, Ruiming, SDZ, Shenghuabo, Snap-on, Songtian, Tyreplus, WABCO, Yihe Lubricant Oil, Zero Mileage Lubricant and Ziyang CRRC Electrical Technology.

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### **Key focus: innovative business models for the after-sales market**

The after-sales market continues to expand in Southwest China, with more and more diverse business models becoming available. In response to this, CAPAS launched the Quick Fix, Replacement Parts & Chain Stores Zone, which attracted many well-known chain store brands to participate such as Fix Auto, GAPE China, Jingdian Auto, Tyreplus and more. The zone, as well as a range of concurrent fringe events related to the subject, helped participants explore a whole host of new products and services, as well as modern management techniques and new supply chain models.

Within the zone was Fix Auto, the world-largest collision repair chain group. Targeting the fast developing Southwest China market, the company made its debut appearance at CAPAS. Speaking at the show was Vice President for China Regions, Mr John Zhou. He said: "During CAPAS, we are featuring an integrated services package for the repair market, assisting the companies in creating standardised service procedures whilst also improving their operations, productivity, competitiveness and costs."

"The aftermarket sector in the entire Southwest region has very good development potential. The implementation of environmental protection policies has led to an upgrade of the entire industry, which matches well with our own business concept. We have met our target customers at CAPAS this year, and we expect to continue participating similar exhibitions in the future."

Chain stores are now providing more services than ever and are now serving as one-stop platforms, which has led to new business model concepts under the industry's transformation. This was highlighted on the show floor with Shanghai Futong Software Technology Co Ltd. Vice President Mr Wei Guan introduced a new operational model at CAPAS 2018, which offers a hassle-free processes for car shops: "We provide smart infrastructures for chain stores by combining in-store demand from service providers in the market. Our service platforms and hardware facilities for stores enable them to provide more standardised online services. The participants at CAPAS are very professional, covering many product categories, which is great for us."

### **New technologies at CAPAS to support regional's aftermarket upgrades**

Meanwhile, environmental protection has always been a topic of great concern for the spare parts sector, and has become a pressing issue for China in recent years. For example, exhibiting company NGK developed new spark plug and oxygen sensor products for low fuel consumption vehicles, to help meet the 'stage 6' emission standard established in China. The company's Marketing Division Advertising Department Manager, Ms Xuehua Cai, said at the show: "The Southwest market is definitely our biggest priority, and CAPAS has provided a very good opportunity for us to approach it effectively."

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Many of China's new energy policies, such as imposing new targets for new energy vehicles and bans on fuel vehicles, are now coming into

play, helping the country meet the general development direction of the global automotive industry. With that in mind, this year's CAPAS shone a spotlight on the latest new energy vehicles and related products.

Exhibitor Sichuan TongHua Technology Co Ltd produces automotive batteries and charging equipment. Mr Guoqiang Shu, Service Manager, expressed satisfaction towards the exhibition: "During the show, we have developed a lot of new customers, including new energy vehicle dealers. Our target market is Sichuan, because the local environmental protection policies are favourable for us in expanding our business."

The market for commercial vehicles is facing similar trends in moving towards a premium, smart and automated market. This year, WABCO brought its latest technology for single-piston air disc brakes, which has not yet been used on commercial vehicles in the country. The company's Aftermarket Leader for the Greater China Region of WABCO Vehicle Control Systems, Mr Steven Guo, said: "Compared to the conventional drum brake, disc brakes can significantly reduce the temperature of the brake pad, to prevent accidents. Through CAPAS, we have efficiently delivered our latest products to our target customers."

As a visiting buyer, the General Manager of Chongqing Benbo House, Mr Hu Yan, has participated in CAPAS for many editions: "I discovered a company for new eco-friendly materials at the show this year. Their products implement low carbon operations, which is highly recommended in the industry now. There was also another company which produces oil analyser, enabling customers to find out more about motor oil with direct test results. More and more companies are realising the importance of CAPAS for the auto market in the Southwest region, because it has always stayed very close to the changes in the market."

Another buyer at the show was Mr Gang Fan, General Manager of Sichuan Xichang Kai Yuan Automotive Service Co Ltd. He came to the exhibition to seek inspiration: "I am in wholesale and retail sales for spare parts. New energy vehicles are becoming more and more common, meaning chain stores like us have to upgrade our products and services. The most important thing is technological transformation, because the replacement parts in new energy vehicles are different from conventional vehicles, requiring upgrades to our repair technology. Compared with cities such as Beijing, Shanghai and Guangzhou, I think that the Southwest region has strong potential in this area," he stated.

### **Concurrent events help prepare the industry for changes and upgrades**

A total of 20 concurrent events were held during CAPAS 2018. Each event has helped promote the latest market information and business inspirations across the entire automotive industry. This subsequently provided a clear market orientation for participants, and enabled them to efficiently prepare for the industry's transformation and upgrade.

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As an invited guest speaker, Mr Yongzhong Li, Deputy Supervisor of the China Automotive Maintenance and Repair Trade Association Auto Repair Parts Committee, introduced a forum for the transformation of

chain stores in the Southwest region: “The after-sales market for vehicles has great potential, but there are still challenges which it needs to overcome. One of the ways to do this is to integrate our resources. The topics for the concurrent events this year match the pace of the industry, and they fit well with the exhibition.”

After attending the forum, Mr Weiguo Lv, General Manager of Xichang SUJIE Automotive Technology Service Co Ltd, had some insightful thoughts: “I run a repair store for automotive automatic transmission in Sichuan. I totally agree with various operational issues related to the vehicle repair industry raised by the guest speakers, including the increase in operational costs, competition within the industry, the development of new energy vehicles and more. We will survive and continue to develop under the great wave of changes, as long as we upgrade the integrated service and technology in our stores. This forum is very helpful in solving my current troubles and issues.”

CAPAS is jointly organised by the China Council for the Promotion of International Trade, the Automotive Sub-Council (CCPIT-Auto), Messe Frankfurt (Shanghai) Co Ltd and the China Council for the Promotion of International Trade, Sichuan Council (CCPIT-Sichuan). The next edition will be held from 23-25 May 2019. For more information, please visit [www.capas-chengdu.com](http://www.capas-chengdu.com) or email [auto@hongkong.messefrankfurt.com](mailto:auto@hongkong.messefrankfurt.com).

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**Background information on the China Council for the Promotion of International Trade, Automotive Sub-Council (CCPIT-Auto)**

The China Council for the Promotion of International Trade, Automotive Sub-Council (CCPIT-Auto) promotes foreign trade and economic cooperation, technical exchange and introduction of advanced technologies for China’s auto industry by following the China Council for the Promotion of International Trade and China Chamber of International Commerce charter. It acts as a bridge for Chinese auto industry enterprises to build cooperation and exchange opportunities across the world. In addition, the committee organises three world leading and highly regarded international automotive exhibitions in Beijing, Shanghai and Guangzhou.

**Background information on Messe Frankfurt**

Messe Frankfurt is the world’s largest trade fair, congress and event organiser with its own exhibition grounds. With more than 2,400 employees at 30 locations, the company generates annual sales of around €669 million. Thanks to its far-reaching ties with the relevant sectors and to its international sales network, the Group looks after the business interests of its customers effectively. A comprehensive range of services – both onsite and online – ensures that customers worldwide enjoy consistently high quality and flexibility when planning, organising and running their events. The wide range of services includes renting exhibition grounds, trade fair construction and marketing, personnel and food services. With its headquarters in Frankfurt am Main, the company is owned by the City of Frankfurt (60 percent) and the State of Hesse (40 percent).

For more information, please visit our website at:

[www.messefrankfurt.com](http://www.messefrankfurt.com) | [www.congressfrankfurt.de](http://www.congressfrankfurt.de) | [www.festhalle.de](http://www.festhalle.de)

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**Background information on the China Council for the Promotion of International Trade, Sichuan Council (CCPIT-Sichuan)**

The China Council for the Promotion of International Trade, Sichuan Council (CCPIT-Sichuan)

aims to promote foreign trade cooperation and communication, under the guidance of the Sichuan Provincial Party Committee and the Provincial People's Government, and in accordance with the guidelines of national economic policy and principles. Its main duties are to encourage foreign trade and investment, enhance economic and technological exchange and cooperation, and to foster local enterprises to participate in the economic globalisation. CCPIT-Sichuan also organises a number of international exhibitions including the Western China International Fair.